

Article 1: Business Taxes**Division 3: Taxing Provisions**

("Licensing Provisions" retitled to "Taxing Provisions" on 2-23-87 by O-16815 N.S.)

§31.0301 Taxes Imposed

- (a) Except as otherwise provided in this Section 31.0301, every person engaged in any business, trade, calling, occupation, operation, franchise, vocation, profession or other means of livelihood, as an independent contractor and not as an employee of another and not specifically taxed by any other business tax code of The City of San Diego, shall pay annually a business tax of one hundred twenty-five dollars (\$125), plus a sum of money equal to five dollars (\$5) per employee. For a business with a certificate, the number of persons employed in a business shall be the average of all employees over a twelve(12) month period, excluding any employee working less than ten(10) hours per week. For a new business, the number of persons employed may be estimated, and is subject to verification by the City Treasurer or duly authorized City employee. However, in no case shall the owner or owners of a business be considered as employees for purposes of the per capita charge.
- (b) Except as otherwise provided in this Section 31.0301, any company which is not located in The City of San Diego but which hires agents, representatives or independent contractors in San Diego may elect to pay the business tax for their independent contractors at the rate of one hundred twenty-five dollars (\$125) flat fee plus five dollars (\$5) for each independent contractor or representative working in San Diego. A Declaration of Business Tax shall accompany the tax payment. The number of agents, independent contractors or representatives shall be the number working under contract with the company in San Diego on the date which falls exactly one calendar month prior to the certificate expiration date. For companies without current certificates, the number of independent contractors or representatives shall be the number under contract with the company in San Diego on the date on which the Declaration of Business Tax is filed. Those agents, representatives and independent contractors of companies which make the election described in Section 31.0301(b) are not required to pay a business tax for purposes of that business.

(7-2004)

- (c) A person subject to the refuse collector business tax under Section 31.0306 is not eligible to exercise the election in Section 31.0301(b).
- (d) Effective July 1, 1994, every business with twelve (12) or fewer employees who would be required to pay the business tax described in section 31.0301(a) shall pay seventy dollars (\$70), plus a sum of money equal to three dollars (\$3) per employee.
- (e) Effective July 1, 1995, every business with twelve (12) or fewer employees who would be required to pay the business tax described in section 31.0301(a) shall pay a business tax of thirty-four dollars (\$34).
- (f) In addition to the penalties for delinquent payment established in section 31.0131 all businesses who do not register or pay their taxes shall pay a surcharge of sixty-eight dollars (\$68) for businesses with fewer than thirteen (13) employees and two hundred and fifty dollars (\$250) for businesses with thirteen employees or more.

(Amended 4-14-1997 by O-18400 N.S.)

(Amended 7-12-2004 by O-19297 N.S.)

§31.0302 Taxes — Two or More Businesses or Activities at Same Location

Except as otherwise provided in this Article, whenever any person is engaged in two or more activities at the same location, under a single business name, such as manufacturing and retailing, then such person shall not be required to pay a separate business tax for each type of activity, but the total number of employees of all types of activities combined shall be used as the basis for computing the amount of tax to be paid for the conduct of all such types of activities under a single certificate.

(Amended 9-27-1993 by O-17986 N.S.)

§31.0305 Business Tax — Apartment Houses, Flat Dwellings, Motels, Hotels, Rental Units, and Other Residential Real Estate

- (a) Definitions. For the purposes of Section 31.0305, the following definitions apply:

“Apartment house” means a building arranged in separate units, each unit containing a kitchen and a bathroom, designed to house several families living independently of one another.

“Condominium” means a building or part of a building designed to house not more than one family including all necessary employees of such family.